

BLUESTONE LAW, LTD.
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LEVY DAVIS & MAHER, LLP
Jonathan A. Bernstein (JB 4053)
Attorneys for Plaintiffs
880 Third Avenue
New York, NY 10022
Tel: 212-371-0033

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
THE GOVERNOR & COMPANY OF THE BANK
OF IRELAND

COMPLAINT

Plaintiff,

-against-

KEVIN TREACY

Defendant.

-----X

Plaintiff the Governor & Company of the Bank of Ireland ("Plaintiff"), by and through undersigned counsel, hereby sues defendant Kevin Treacy ("Defendant") herein and alleges:

NATURE OF THE ACTION

1. Plaintiff seeks money damages against the Defendant for breach of two separate Money Market Related Loan agreements.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over this action based on diversity of citizenship pursuant to 28 U.S.C. 1332. The matter in controversy exceeds, exclusive of interest and costs, \$75,000.00.

3. Venue is proper in the United States District Court for the Southern District of New York under 28 U.S.C. § 1391(a)(1) because the Defendant resides in this judicial district and the acts giving rise to the claims made herein occurred in this District.

THE PARTIES

4. Plaintiff is a corporation organized and existing under the laws of the Republic of Ireland and maintains its principal place of business at Lower Baggot Street, Dublin 2, Ireland.

5. Upon information and belief, Defendant is an individual residing in the County of Westchester, State of New York.

GENERAL ALLEGATIONS

6. On or about December 30, 1999, the Plaintiff provided Defendant with a Money Market Related Loan in the amount of \$50,000 (Fifty Thousand US Dollars) ("First Loan"), which the Defendant accepted on or about January 12, 2000. A copy of the agreement reflecting the First Loan ("First Loan Agreement") is attached hereto as Plaintiff's Exhibit A.

7. The term of the First Loan was 24 months, and Defendant agreed to make interest payments on a quarterly basis with payment of principal at maturity.

8. Plaintiff disbursed the loan amount of \$50,000 to Defendant subsequent to the execution of the First Loan Agreement and thereafter designated the loan under Account Number 1776963 – 4.

9. On or about July 18, 2001, the Plaintiff provided Defendant with a second Money Market Related Loan also in the amount of \$50,000 (“Second Loan”), which the Defendant accepted on or about July 18, 2001. A copy of the agreement reflecting the Second Loan (Second Loan Agreement”) is attached hereto as Plaintiff’s Exhibit B.

10. The term of the Second Loan was 12 months, and Defendant agreed to pay interest and principal at maturity of the Second Loan.

11. Plaintiff disbursed the second loan amount of \$50,000 to Defendant subsequent to the execution of the Second Loan Agreement and thereafter designated the second loan under Account Number 1776963 – 5.

COUNT I
(Breach of the First Loan Agreement)

12. Plaintiff repeats and realleges each and every allegation set forth in paragraph 1 through 11 as if fully set forth herein.

13. Pursuant to the First Loan Agreement, Defendant was obligated to pay agreed interest on a quarterly basis, and the principal at maturity, which was on or about January 12, 2002.

14. Defendant failed to pay the interest on a quarterly basis and the principal at the maturity date of January 12, 2002.

15. The largest repayment made by the Defendant was in the amount of \$1,000.00 on or about November 5, 2002 with numerous smaller credits subsequently posted to the account through January 2005.

16. On or about October 10, 2003, Plaintiff declared Defendant in default under the First Loan and made demand for payment of \$63,126.82 (outstanding balance of the First Loan as of October 8, 2003), which Defendant failed to pay. A copy of the demand letter is attached hereto as Plaintiff's Exhibit C.

17. As a result of Defendant's failure to repay the First Loan, the Defendant is in breach of the First Loan Agreement.

18. The balance due by Defendant under the First Loan Agreement was \$66,787.64 as of February 22, 2005, which is the date this account stopped accruing interest. A copy of the account statement reflecting the final balance on the First Loan is attached hereto as Plaintiff Exhibit D.

WHEREFORE, Plaintiff demands judgment against Defendant for \$66,787.64, legal interest from the date of judgment, and costs.

COUNT II
(Breach of the Second Loan Agreement)

19. Plaintiff repeats and realleges each and every allegation set forth in paragraph 1 through 18 as if fully set forth herein.

20. Pursuant to the Second Loan Agreement, Defendant was obligated to pay the principal and interest at maturity, which was on or about July 18, 2002.

21. Defendant failed to pay the principal and interest at the maturity date of July 18, 2002.

22. On or about October 10, 2003, Plaintiff declared Defendant in default under the Second Loan and made demand for payment of \$54,640.93 (outstanding balance of the Second Loan as of October 8, 2003), which Defendant failed to pay. A copy of the demand letter is attached hereto as Plaintiff's Exhibit C.

23. As a result of Defendant's failure to repay the Second Loan, the Defendant is in breach of the Second Loan Agreement.

24. The balance due by Defendant under the Second Loan Agreement was \$57,809.59 as of February 22, 2005, which is the date this account stopped accruing interest. A copy of the statement of account reflecting the final balance for the Second Loan is attached hereto as Plaintiff Exhibit E.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment in the amount of \$66,787.64 for Count I, and \$57,809.59 for Count II, for the combined amount of \$124,597.23, plus post judgment interest and costs.

Dated: New York, New York
February 12, 2008

Jonathan A. Bernstein (JB 4053)
Attorney for Plaintiff
LEVY DAVIS & MAHER, LLP
880 Third Avenue – 9th Floor
New York, NY 10022
Tel: (212) 371-0033

Minh Ngoc Nguyen (MN 8607)
Attorney for Plaintiff
BLUESTONE LAW, LTD.
4405 East-West Highway, Suite 402
Bethesda, Maryland 20814
Tel. (301) 656-0230

Bank of Ireland



December 30, 1999

Mr. Kevin Treacy
c/o Red Wolf Capital Management, LLC
Eleven Madison Avenue
Fifth Floor
New York, NY 10010
USA

**Cork City
Business Centre**

32 South Mall
Cork

Telephone: (021) 274322
Fax: (021) 274552

Dear Kevin,

The Governor & Company of the Bank of Ireland ("the bank") is pleased to take this opportunity to provide you with a Money Market Related Loan, the details of which are set out below. The terms and conditions relating to this loan are set out on the following pages for your convenience. I trust that you will find this arrangement and all your dealings with the Bank of Ireland Group to your satisfaction.

AMOUNT OF LOAN:	\$50,000 (Fifty Thousand US Dollars)
INTEREST RATE:	Cost of Funds plus cost of liquidity plus 2.5% margin
TERM:	24 months
REPAYMENT SCHEDULE:	Repayments of facility will be as follows: Interest quarterly in arrears as it falls due Principal at maturity of the loan
PURPOSE:	Purchase share portfolio through Davy Stockbrokers
SECURITY:	Assignment over share portfolio being purchased through Davy Stockbrokers Life cover of minimum £40,000 through Lifetime Assurance Company

INTEREST RATE

The rate at which debit interest will be charged on the balance outstanding in your account will be determined by us at or about 11.30 a.m. on the date in which each drawing is made as being the aggregate of:-

A) 2.5% per annum (i.e. margin). This margin is subject to review every 5 years and may be redetermined in light of prevailing market trends.

B) The rate determined by the Bank on the date of drawdown and calculated by reference to the rate at which the Bank can borrow money on the Fed Funds Interbank Market for a period corresponding to the relevant interest rate period.

The interest rate will be set on the date of draw down and shall be reset on the first day of each interest rate period.

Bank of Ireland



**Cork City
Business Centre**

Interest will be charged on overdue interest payable on demand (after as well as before Judgement) for the period from the due date thereof until the date of payment at 2% per annum in excess of the rate of interest for the time being applicable to the facility.

Telephone: (021) 274322

This facility is set for a 1 month interest period and is subject to roll over when this period has expired. The loan will continue to be rolled over for six month interest periods unless otherwise requested by the customer.

FUNDING FEE

If at any time, during the fixed interest period or during any subsequent fixed interest term the borrower gives notice in writing to the Bank addressed to the Branch of the Bank named in the front of this offer letter to convert the loan to a variable rate or make any early repayment of the loan, the borrower shall pay to the Bank a fee equal to three months interest or if greater the amount calculated by the Bank of all losses, costs and expenses incurred by the Bank arising from such conversion or early repayments.

SURCHARGES

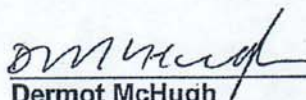
Where repayments of interest and/or principal are not provided in accordance with agreed arrangements such excesses are liable to an additional charge of .75% per month or part of month (9% per annum) subject to a minimum of £2 per month, in addition to the normal interest charge.

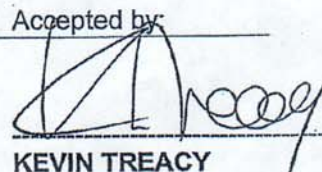
Surcharges are charged to the customer's accounts and payable at the same time in the same manner as the normal interest charge.

EVENT OF DEFAULT

If any of the above terms and conditions are breached or if in the opinion of the Bank there have occurred any other material adverse change in the circumstances affecting the facility or if the borrower defaults in payment of any indebtedness or in discharge of any obligation to any lender, the Bank shall have the right to cancel the facility and call for immediate repayment of all amounts outstanding.

Yours sincerely


Dermot McHugh

Accepted by:

KEVIN TREACY

12/1/00
DATE

Bank of Ireland

Our Ref: DMCH/JC
18th July, 2001

Cork City
Business Centre

Mr Kevin Treacy
c/o Redwolf Capital Management LLC
Eleven Madison Avenue
Fifth Floor
New York
NY10010

32 South Mall
Cork

Telephone: (021) 4274322
Fax: (021) 4274552
e-mail:
corkcity@sbc.boi.ie

Dear Kevin,

The Governor & Company of the Bank of Ireland ("the bank") is pleased to take this opportunity to provide you with a Money Market Related Loan, the details of which are set out below. The terms and conditions relating to this loan are set out on the following pages for your convenience. I trust that you will find this arrangement and all your dealings with the Bank of Ireland Group to your satisfaction.

AMOUNT OF LOAN:	US\$50,000 (Fifty Thousand US Dollars)
INTEREST RATE:	Cost of Funds plus cost of liquidity plus 2.5% margin (At present this equates to % fixed for month period)
TERM:	12 months.
REPAYMENT SCHEDULE:	Interest and principal at maturity.
PURPOSE:	Purchase of share portfolio through Davy Stockbrokers.
SECURITY:	Assignment over share portfolio being purchased through Davy Stockbrokers. Life cover in the minimum amount of IR£80,000.

OTHER CONDITIONS

1. The borrower shall furnish to the Bank, a copy of Audited Accounts within 120 days of financial year end together with written confirmation from your Accountants re preferential creditors.
2. Management Accounts to be prepared quarterly and provided to the Bank on a one month in arrears basis.
3. All costs associated with the completion of security are the Borrower's responsibility and will be debited to your account as they arise.

INTEREST RATE

The rate at which debit interest will be charged on the balance outstanding in your account will be determined by us at or about 11.30 a.m. on the date in which each drawing is made as being the aggregate of:-

- A) 2.5% per annum (i.e. margin). This margin is subject to review every 5 years and may be redetermined in light of prevailing market trends.
- B) The rate determined by the Bank on the date of drawdown and calculated by reference to the rate at which the Bank can borrow money on the Fed Funds Interbank Market for a period corresponding to the relevant interest rate period.
The interest rate will be set on the date of draw down and shall be reset on the first day of each interest rate period.

C) The cost to us, expressed as a percentage per annum of maintaining the reserve and liquidity requirements of the Central Bank of Ireland or any other regulatory body. This cost is variable and open to change every twelve months on the anniversary of the loan drawdown.

Interest will be charged on overdue interest payable on demand (after as well as before Judgement) for the period from the due date thereof until the date of payment at 2% per annum in excess of the rate of interest for the time being applicable to the facility.

This facility is set for a 6 month interest period and is subject to roll over when this period has expired. The loan will continue to be rolled over for six month interest periods unless otherwise requested by the customer.

FUNDING FEE

If at any time, during the fixed interest period or during any subsequent fixed interest term the borrower gives notice in writing to the Bank addressed to the Branch of the Bank named in the front of this offer letter to convert the loan to a variable rate or make any early repayment of the loan, the borrower shall pay to the Bank a fee equal to three months interest or if greater the amount calculated by the Bank of all losses, costs and expenses incurred by the Bank arising from such conversion or early repayments.

SURCHARGES

Where repayments of interest and/or principal are not provided in accordance with agreed arrangements such excesses are liable to an additional charge of .75% per month or part of month (9% per annum) subject to a minimum of £2 per month, in addition to the normal interest charge.

Surcharges are charged to the customer's accounts and payable at the same time in the same manner as the normal interest charge.

EVENT OF DEFAULT

If any of the above terms and conditions are breached or if in the opinion of the Bank there have occurred any other material adverse change in the circumstances affecting the facility or if the borrower defaults in payment of any indebtedness or in discharge of any obligation to any lender, the Bank shall have the right to cancel the facility and call for immediate repayment of all amounts outstanding.

FORM OF ACCEPTANCE

Acceptance of this offer must reach the Branch of the Bank named in the front of this offer within 21 days of the date of this Offer Letter, or the offer will lapse.

To signify your acceptance of the terms and conditions, kindly have the Form of acceptance on the duplicate of this letter completed and returned to the said Branch of the Bank.

Yours sincerely,


DERMOT MCHUGH
RELATIONSHIP MANAGER

19AM

DLJ

NO. 789

P. 2

FORM OF ACCEPTANCE:

Accepted by:

SIGNED:

KEVIN TREACY

DATED:

7/18/01

EXHIBIT C

Michael Carroll

To: ktreacy@fortressinv.com

cc:

Subject: usd loans

10/10/2003 15:11

to mr kevin treacy

2 birch lane

rye brook

new york 10573

u.s.a.

by e-mail and by airmail

kevin

i refer to our conversation yesterday.i am still endeavouring as agreed to get an up to date valuation on your davy share portfolio.in any event,i will ring you later today.

as at the 8th of october 2003,the loan balances were as follows;

usd62,996.98 plus interest accrued usd129.84,total usd63,126.82

usd54,528.54 plus interest accrued usd112.39,total usd54,640.93

total indebtedness usd117,767.75

pending your proposals and in order to preserve the bank's position and to progress matters,i must advise you of the following;

in relation to the above accounts which show a balance of debit usd117,767.75 and which are currently overdue for repayment and/or in arrears,i wish to advise you that the accounts have now been frozen.kindly arrange for payment of this amounttogether with interest to date of payment.If the liabilities are not discharged within 21(twenty-one) daysfrom this date,the bank will take such steps to enforce payment as the bank may be advised.

please confirm that above address is correct

yours faithfully

Michael Carroll

Business Manager

St.Patricks Bridge,Cork

Telephone: 087 2746016

Email: michael.carroll@boimail.com

Customer: Mr Kevin Treacy
C/O UBS Paine Webber
New York

Statement of Account with

Bank of Ireland**Global Markets****EXHIBIT D**

A/C Name: TREACY MR KEVIN (2033/ 1)
A/C Number: 1776963 4

IBAN: IBAN IE13 BIGT 9024 8501 3400 12
Our SWIFT BIC Address: BIGT IE 2
Details: -U.S. DOLLARS ADVANCES INVESTMENT PORTFOLIO
Date: -Balance at close of business on 22-Aug-2006
Statement: Interest Accrued and Outstanding at 22-Aug-2006
-Rate 0.00000% per annum
-Term fixed to 3-Nov-2006

66,787.64DB
85.49DB

Colvill House, Talbot Street,
Dublin 1.

Tel +353 1 799 3000

Fax +353 1 799 3055

email info@boigm.com

www.boi.ie/globalmarkets

Date of Statement: 22-AUG-2006

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Date	Particulars	Value Date	Debit	Credit	Balance
29 Mar 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB
5 Apr 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB
12 Apr 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB
19 Apr 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB
26 Apr 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB
3 May 06	Ref : (2033/ 1) TREACY MR KEVIN Fl/Dd : 2033/ 1,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 1) (1776963/ 4)				66,787.64DB

Mail To:

All Correspondence to the Customer Service Unit

Mr Kevin Treacy
C/O UBS Paine Webber
New York

Statement Period: 10-Jan-2003 To 22-Aug-2006

Statement Produced On: 22-AUG-2006

Legal Information

The Governor and Company of the Bank of Ireland -
incorporated in Ireland with limited liability.

Registered Information
Registered No. C-1.

A member of **Bank of Ireland Group**

Customer: Mr Kevin Treacy
C/O UBS Paine Webber
New York

Statement of Account with

Bank of Ireland 

Global Markets

A/C Name: TREACY MR KEVIN (2033/ 2)
A/C Number: 1776963 5

IBAN: IBAN IE29 BIGT 9024 8501 3400 15
Our SWIFT BIC Address: BIGT IE 2
Details: -U.S. DOLLARS ADVANCES INVESTMENT PORTFOLIO
Date: -Balance at close of business on 22-Aug-2006
Statement: Interest Accrued and Outstanding at 22-Aug-2006
-Rate 0.00000% per annum
-Term fixed to 3-Nov-2006

57,809.59DB
74.00DB

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Tel +353 1 799 3000

Fax +353 1 799 3055

email info@boigm.com

www.boi.ie/globalmarkets

Date of Statement: 22-AUG-2006

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EXHIBIT E

Date	Particulars	Value Date	Debit	Credit	Balance
28 Sep 05	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)	22 Apr 05			57,809.59DB
29 Dec 05	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
28 Mar 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
29 Mar 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
5 Apr 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
12 Apr 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
19 Apr 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
26 Apr 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB
3 May 06	Ref : (2033/ 2) TREACY MR KEVIN Fl/Dd : 2033/ 2,RO, Pr MMLN RN : TREACY MR KEVIN (2033/ 2) (1776963/ 5)				57,809.59DB

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All Correspondence to the Customer Service Unit

Mr Kevin Treacy
C/O UBS Paine Webber
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Statement Period: 10-Jan-2003 To 22-Aug-2006

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The Governor and Company of the Bank of Ireland - incorporated in Ireland with limited liability.

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Registered No. C-1.

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